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Message Text

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43
ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOTE-00 INR-07 NSAE-00 RSC-01 FAA-00 SS-15 NSC-05

FEAE-00 INT-05 TRSE-00 L-02 H-01 /052 W
---------- 045107
P 021838Z JAN 75
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC PRIORITY 7114

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E.O. 11652: N/A
TAGS: EAIR, ENRG, VE
SUBJECT: SPECIAL PRICE FOR AVIATION FUEL ON BEHALF OF VENEZUELAN
INTERNATIONAL AIRLINE VIASA

REF: (A) CARACAS 11831 (B) STATE 279946

1. EMBASSY DELIVERED FOLLOWING NOTE TO FOREIGN OFFICE ON
JANUARY 2 PROTESTING DISCRIMINATORY PRICING POLICY OF GOV WITH
REGAARD TO AVIATION FUELS.

2. BEGIN TEXT. THE EMBASSY OF THE UNITED STATES OF AMERICA
PRESENTS ITS COMPLIMENTS TO THE MINISTRY OF FOREIGN AFFAIRS OF THE
REPUBLIC OF VENEZUELA AND HAS THE HONOR TO INFORM THE MINISTRY
THAT THE GOVERNMENT OF THE UNITED STATES OF AMERICA HAS RECEIVED
INFORMATION INDICATING THAT THE VENEZUELAN INTERNATIONAL AIR CARRIER,
VENEZOLANA INTERNACIONAL DE AVIACION S.A. (VIASA), HAS BEEN
GRANTED A SPECIAL PRICE FOR AVIATION FUEL PURCHASED IN VENEZUELA
WHICH IS VERY SUBSTANTIALLY BELOW FUEL PRICES CHARGED TO AMERICAN
AIR CARRIERS. IT IS UNDERSTOOD THAT, IN FACT, A REBATE REDUCTION
IN THE PRICE OF AVIATION FUEL HAS BEEN MADE EFFECTIVE IN FAVOR
OF VIASA RETROACTIVE TO JANUARY 1974.

3. THE GOVERNMENT OF THE UNITED SGLCES OF AMERICA WISHES TO REMIND
THE GOVERNMENT OF VENEZUELA THAT DISCRIMINATORY FUEL PRICING OF THIS
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NATURE COULD BE CONSTRUED AS A VIOLATION OF THE PROVISIONS OF THE

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BILATERAL AGREEMENT ON AIR TRANSPORT SERVICES BETWEEN THE GOVERNMENTS
OF THE UNITED STATES OF AMERICA AND VENEZUELA REQUIRING FAIR AND
EQUAL OPPORTUNITY TO INTERNATIONAL AIR CARRIERS OF BOTH NATIONS(SECTI
ON
IV B OF THE ANNEX).

4. THE GOVERNMENT OF THE UNITED STATES OF AMERICA ALSO WISHES TO
POINT OUT TO THE GOVERNMENT OF VENEZUELA THAT THE GOVERNMENT OF
THE UNITED STATES HAS ADOPTED AND FOLLOWED A NON-DISCRIMINATORY
POLICY WITH REGARD TO FUEL ALLOCATION AND FUEL PRICING OF AVIATION
FUELS PURCHASED BY INTERNATIONAL CARRIERS IN THE UNITED STATES.
THIS NON-DISCRIMINATORY POLICY HAS EVEN PERMITTED FOREIGN CARRIERS
TO PURCHASE FUEL FROM UNITED STATES DOMESTIC STOCKS WHEN PRICES
FOR THESE STOCKS FELL BELOW THOSE CHARGED FOR BONDED FUELS.

5. THE GOVERNMENT OF THE UNITED STATES ALSO WISHES TO INFORM THE
GOVERNMENT OF VENEZUELA THAT UNDER EXISTING REGULATIONS OF THE
UNITED STATES FEDERAL ENERGY ADMINISTRATION AMO WELL AS THOSE OF
THE UNITED STATES COULD BE REQUIRED TO TAKE COUNTERMEASURES AGAINST
INTERNATIONAL CARRIERS WHOSE GOVERNMENTS PRACTICEU
OSCRIMINATORY
POLICIES WITH REGARD TO PRICING AND ALLOCATION OF AVIATION FUELS.

6. THE GOVERNMENT OF THE UNITED STATES OF AMERICA EXPRESSES THE
HOPE THAT THE GOVERNMENT OF VENEZUELA WILL AVOID DISCRIMINATION
IN ITS AVIATION FUEL PRICING POLICY IN FAVOR OF A NON-DISCRIMINATORY
POLICY. FURTHER, THE GOVERNMENT OF THE UNITED STATES OF AMERICA
WOULD APPRECIATE KNOWING THE INTENTION OF THE GOVERNMENT OF
VENEZUELA IN THIS REGARD.

7. THE EMBASSY OF THE UNITED STATES OF AMERICA AVAILS ITSELF
OF THIS OPPORTUNITY TO RENEW TO THE MINISTRY OF FOREIGN AFFAIRS
THE ASSURANCES OF ITS HIGHEST CONSIDERATION. END TEXT.

8. COMMENT: NOTE WAS DELIVERED TO TIRADO, HEAD OF TRANS-
PORTATION SECTION, MINISTRY OF FOREIGN AFFAIRS. TIRADO SAID HE
UNAWARE OF ANYTHING TO DO WITH PRICES AND SAID HE WOULD REFER
NOTE TO FOREIGN MINISTRY'S LEGAL ADVISOR FOR OPINION AND ALSO
THAT HE WOULD INVESTIGATE ASSERTIONS OF DISCRIMINATORY PRICING
POLICY.
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NNN

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Message Attributes

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Draft Date: 02 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Authority: greeneet
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Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
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Type: TE
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